

ILLINOIS-AMERICAN WATER COMPANY
MORELAND SERVICE DISTRICT
Calculation of Purchased Water Price Adjustment
December 2002

FORMULA FACTORS

1. Purchased water charge in effect, per 1,000 gallons, effective August 15, 2002	\$1.39
2. Unit rate for purchased water cost and/or alternate delivery (wheeling) costs, per 1,000 gallons, per Exhibit B	\$1.254
3. Metered usage plus unaccounted-for water usage during the prior base period, in 1,000's of gallons, per Exhibit C (March through November to coincide with billing period)	16,710
4. Metered usage during the prior base period, in 1,000's of gallons, per Exhibit C (April through December)	16,186
5. Balance of unrecovered or (overrecovered) Supply Charge costs, per Exhibit D	(\$1,356)

CALCULATION OF ADJUSTMENT

In accordance with Ill. Adm. Code 655:

Purchased Water Charge in Effect (\$M/gal)	Estimated Purchased Water Cost and/or Alternate Delivery Costs	+ Commission-ordered adjustment component for variable charge	+ Utility-determined adjustment component for variable charge	=	Recomputed Purchased Water Charge (\$M/gal)
	Metered Usage in Mgals During Prior base period				
\$1.39	\$20,954.34	+	0	+	(\$1,356)
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					\$1.21

ILLINOIS-AMERICAN WATER COMPANY
MORELAND SERVICE DISTRICT
Change in Purchased Water Cost
December 2002

Description		Rate Per 1,000 gal
Change in purchased water charge:		
Metered service rate:		
New rate per 1,000 gallons	(\$9.38 per 1,000 cu ft/7.48052)	\$1.254
Previous rate per 1,000 gallons	(\$9.02 per 1,000 cu ft/7.48052)	1.206
Total change in purchased water rate		<u>\$0.048</u>

ILLINOIS-AMERICAN WATER COMPANY
 MORELAND SERVICE DISTRICT
 Water Usage
 December 2002

Description	Metered Usage (1,000 of gallons)	Metered Usage Plus Unaccounted-for Water Usage (1,000 of gallons)
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For the monthly billing period ending in the month of:

2001 January	1,404	1,713
2001 February	1,671	1,212
2001 March	1,136	1,406
2001 April	1,426	1,511
2001 May	1,371	1,526
2001 June	1,677	1,840
2001 July	1,784	3,052
2001 August	2,949	2,072
2001 September	2,021	2,177
2001 October	1,950	1,780
2001 November	1,536	1,346
2001 December	1,472	1,623
Total for the 12 most recent months	<u>20,397</u>	<u>21,258</u>

ILLINOIS-AMERICAN WATER COMPANY
MORELAND SERVICE DISTRICT
Summary of Lake Water Purchases and Cost Recovery
December 2002

Month	(A) Actual Cost of Lake Water Purchased	(B) Cost Recovery via Lake Water Supply Charge	(A - B) Monthly Unrecovered (Overrecovered) Supply Charge Cost	Cumulative Unrecovered (Overrecovered) Supply Charge Cost
Balance forwarded from December 5, 2000				(\$1,650)
January	\$1,813	\$1,794	\$19	(1,631)
February	1,610	2,082	(472)	(2,104)
March	1,419	1,507	(87)	(2,191)
April	1,699	1,768	(69)	(2,261)
May	1,553	1,705	(152)	(2,413)
June	1,922	2,089	(167)	(2,580)
July	2,147	2,218	(71)	(2,651)
August	3,253	3,703	(451)	(3,101)
September	2,271	2,702	(431)	(3,532)
October	2,591	2,711	(120)	(3,652)
November	1,873	2,131	(258)	(3,911)
December	1,747	2,046	(299)	(4,210)
Total	<u>\$23,895</u>	<u>\$26,455</u>	<u>(\$2,560)</u>	<u>(\$4,210)</u>
Unrecovered (Overrecovered) supply charges.				<u>(\$4,210)</u>
Utility-determined reconciliation component (Mid-August through December)				<u>(\$1,356)</u>